

#### **4 USC 120: Procedure if no electronic database provided**

Text contains those laws in effect on September 14, 2021

#### **From Title 4-FLAG AND SEAL, SEAT OF GOVERNMENT, AND THE STATES**

##### **CHAPTER 4-THE STATES**

##### **Jump To:**

[Source Credit](#)

[Miscellaneous](#)

[Effective Date](#)

## **§120. Procedure if no electronic database provided**

(a) **SAFE HARBOR.**-If neither a State nor designated database provider provides an electronic database under section 119, a home service provider shall be held harmless from any tax, charge, or fee liability in such State that otherwise would be due solely as a result of an assignment of a street address to an incorrect taxing jurisdiction if, subject to section 121, the home service provider employs an enhanced **zip code** to assign each street address to a specific taxing jurisdiction for each level of taxing jurisdiction and exercises due diligence at each level of taxing jurisdiction to ensure that each such street address is assigned to the correct taxing jurisdiction. If an enhanced **zip code** overlaps boundaries of taxing jurisdictions of the same level, the home service provider must designate one specific jurisdiction within such enhanced **zip code** for use in taxing the activity for such enhanced **zip code** for each level of taxing jurisdiction. Any enhanced **zip code** assignment changed in accordance with section 121 is deemed to be in compliance with this section. For purposes of this section, there is a rebuttable presumption that a home service provider has exercised due diligence if such home service provider demonstrates that it has-

(1) expended reasonable resources to implement and maintain an appropriately detailed electronic database of street address assignments to taxing jurisdictions;

(2) implemented and maintained reasonable internal controls to promptly correct misassignments of street addresses to taxing jurisdictions; and

(3) used all reasonably obtainable and usable data pertaining to municipal annexations, incorporations, reorganizations and any other changes in jurisdictional boundaries that materially affect the accuracy of such database.

(b) **TERMINATION OF SAFE HARBOR.**-Subsection (a) applies to a home service provider that is in compliance with the requirements of subsection (a), with respect to a State for which an electronic database is not provided under section 119 until the later of-

(1) 18 months after the nationwide standard numeric code described in section 119(a) has been approved by the Federation of Tax Administrators and the Multistate Tax Commission; or

(2) 6 months after such State or a designated database provider in such State provides such database as prescribed in section 119(a).

(Added Pub. L. 106-252, §2(a), July 28, 2000, 114 Stat. 628 .)

#### **STATUTORY NOTES AND RELATED SUBSIDIARIES**

### **EFFECTIVE DATE; APPLICATION OF AMENDMENT**

Section effective July 28, 2000, and applicable only to customer bills issued after the first day of the first month beginning more than 2 years after July 28, 2000, see section 3 of Pub. L. 106-252, set out as a note under section 116 of this title.